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State/Territory Name: Colorado

State Plan Amendment (SPA) #: 20-0021

This file contains the following documents in the order listed:

- 1) Approval Letter
- 2) CMS 179
- 3) Approved SPA Page

DEPARTMENT OF HEALTH & HUMAN SERVICES

Centers for Medicare & Medicaid Services

Center for Medicaid & CHIP Services

233 North Michigan Ave., Suite 600

Chicago, Illinois 60601



Financial Management Group

June 3, 2021

Tracy Johnson, Medicaid Director

Attn: Lauren Reveley

Colorado Department of Health Care Policy and Financing

1570 Grant Street

Denver, CO 80203-1818

RE: Colorado State Plan Amendment (SPA) Transmittal Number 20-0021

Dear Ms. Johnson:

We have reviewed the proposed Colorado State Plan Amendment (SPA) to Attachment 4.19-B of your state plan, which was submitted to the Centers for Medicare & Medicaid Services (CMS) on September 14, 2020. This plan amendment allows for a change to the Department's payment methodology for Targeted Case Management Services: Persons with a Developmental Disability to a per member per month (PMPM) structure.

Based upon the information provided by the State, we have approved the amendment with an effective date of July 01, 2020. We are enclosing the approved CMS-179 and a copy of the new state plan pages.

If you have any additional questions or need further assistance, please contact LaJoshica (Josh) Smith via 214-767-6453 or lajoshica.smith@cms.hhs.gov.

Sincerely,

Todd McMillion

Director

Division of Reimbursement Review

Enclosures

<p align="center">TRANSMITTAL AND NOTICE OF APPROVAL OF STATE PLAN MATERIAL</p> <p>FOR: CENTERS FOR MEDICARE & MEDICAID SERVICES</p>		1. TRANSMITTAL NUMBER: 20 – 0021	2. STATE: COLORADO
		3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)	
TO: REGIONAL ADMINISTRATOR CENTERS FOR MEDICARE & MEDICAID SERVICES DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE: July 1, 2020	
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS A NEW PLAN X AMENDMENT			
COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate transmittal for each amendment</i>)			
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR §§ 440.169, 441.18, 447.200		7. FEDERAL BUDGET IMPACT: a. FFY 2019-20: \$0 _____ b. FFY 2020-21: \$0 _____	
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-B: Methods and Standards for Establishing Payment Rates-Other Types of Care – Item 19. Targeted Case Management Services: Persons with a Developmental Disability, page 1 of 1 Supplement to Attachment 3.1-A – Item 19. Targeted Case Management Services: Persons with a Developmental Disability, page 4 of 4		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Attachment 4.19-B: Methods and Standards for Establishing Payment Rates-Other Types of Care – Item 19. Targeted Case Management Services: Persons with a Developmental Disability, page 1-2 of 2 (TN 17-0005) Supplement to Attachment 3.1-A – Item 19. Targeted Case Management Services: Persons with a Developmental Disability, page 4 of 4 (TN 19-0005)	
10. SUBJECT OF AMENDMENT: Change the Department's payment methodology for Targeted Case Management Services: Persons with a Developmental Disability from a 15 minute unit based system to a per member per month (PMPM) structure, effective July 1, 2020.			
11. GOVERNOR'S REVIEW (<i>Check One</i>): GOVERNOR'S OFFICE REPORTED NO COMMENT X OTHER, AS SPECIFIED COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Governor's letter dated 11 October, 2019 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL			
12. SIGNATURE OF STATE AGENCY OFFICIAL:		16. RETURN TO: Colorado Department of Health Care Policy and Financing 1570 Grant Street Denver, CO 80203-1818 Attn: Lauren Reveley	
13. TYPED NAME: Tracy Johnson			
14. TITLE: Medicaid Director			
15. DATE SUBMITTED: Initial: September 14, 2020 Update #1: March 9, 2021			
FOR REGIONAL OFFICE USE ONLY			
17. DATE RECEIVED September 14, 2020		18. DATE APPROVED June 3, 2021	
PLAN APPROVED – ONE COPY ATTACHED			
19. EFFECTIVE DATE OF APPROVED MATERIAL July 1, 2020		20. SIGNATURE OF REGIONAL OFFICIAL	
21. TYPED NAME Todd McMillion		22. TITLE Director, Division of Reimbursement Review	
23. REMARKS 6/2/21: State authorized P&I to blocks 8 & 9, removal of Supplement to Attachment 3.1-A.			

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT
MEDICAL ASSISTANCE PROGRAM

STATE OF COLORADO

Attachment 4.19-B

Page 1 of 1

METHODS AND STANDARDS FOR ESTABLISHING PAYMENT RATES -
OTHER TYPES OF CARE

19. Targeted Case Management Services: Persons with a Developmental Disability

Payment for targeted case management (TCM) services under the State Plan do not duplicate payments made to public agencies or private entities under other program authorities for this same purpose. The reimbursement methodology is based upon a market-based rate according to the State's approved fee schedule.

TCM services for Persons with a Developmental Disability are reimbursed at the lower of the following:

1. Submitted charges; or
2. Fee schedule as determined by the Department of Health Care Policy and Financing.

Except as otherwise noted in the State Plan, state-developed fee schedule rates are the same for both governmental and private providers of TCM services for persons with developmental disabilities. The rates are effective for services on or after the date listed on the Attachment 4.19-B Introduction Page.

Rates are based on the estimated salary, facility, administrative, and capital expenses necessary to complete all contract required activities or deliverables. The salary expenses are calculated based on the average amount of time each involved position spent conducting each activity and the hourly wage of each position from the Bureau of Labor Statistics. The facility, administrative, and capital expenses are allocated based on the estimated resource intensity of the completion of the contract required activities or deliverables and are based on market research data and stakeholder feedback from all case management agencies.